

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

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IN REPLY REFER TO

NM- 02151B et al. (wc) 3162.7 (07100)

AUG 2 8 2003

August 26, 2003

OIL CONSERVATION DIVISION

Peggy Cole Burlington Resources P.O. Box 4289 Farmington, NM 87401

Re:

Accept Commingle Applications and Allocation Method

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors you established. The effective date is the date that downhole commingling actually occurs. The approved allocation factors are listed below. In the case where oil allocations were not provided, it was agreed upon that the proportions established for gas would also be used for oil.

Well Name	Location	API No.	Lease # CA # / PA #	Formation Allocation			Formation Allocation			Formation Allocation		
San Juan 30-6, Unit # 93B	F sec 33, T30N, R-7-W	30039 26893	NM - 02151B	PC	gas oil	10% 10%	MV	gas oil	82% 82%	DK	gas oil	08% 08%
San Juan 30-6, Unit 93M	M sec 33, T30N, R-7-W	30039 26894	NM - 02151B	PC	gas oil	63% 00%	MV	gas oil	30% 00%		gas oil	07% 100%
Aztec Federal #1	sec 24, T30N, R-11W	30045 09319	SF - 078171	СН	gas oil	02% 00%	MV	gas oil	16% 00%	DK	gas oil	82% 100%
Ross Federal #1R	sec 23, T30N, R-11-W	30045 31252	FEE CH (NM108185)-CA DK (NM13841)- CA	СН	gas oil	29% 29%	MV	gas oil	44% 44%	DK	gas oil	27% 27%

If you have any questions, please contact Matt Halbert, at (505) -599-6350 or the undersigned at (505) 599-6367.

Sincerely,

/b/ fim Lovato

Jim Lovato Team Leader, Petroleum Management Team

Enclosures:

cc:

NMOCD, Aztec, NM NMOCD, Santa Fe, NM